Catalogue no. 71-588-X, no. 2
ISSN 1919-1200
ISBN 978-1-100-15518-0

Research paper

The Aboriginal Labour Force Analysis Series

Aboriginal People Living Off-reserve and the Labour Market: Estimates from the Labour Force Survey, 2008-2009

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May 2010

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ISSN 1919-1200
ISBN 978-1-100-15518-0

Frequency: Occasional

Ottawa

Cette publication est également disponible en français.

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.	not available for any reference period
..	not available for a specific reference period
...	not applicable
0	true zero or a value rounded to zero
0s	value rounded to 0 (zero) where there is a meaningful distinction between true zero and the value that was rounded
p	preliminary
r	revised
x	suppressed to meet the confidentiality requirements of the *Statistics Act*
E	use with caution
F	too unreliable to be published

Acknowledgements

The author would like to thank all those who contributed to this release in the Labour Statistics Division, as well as staff in other STC divisions, specifically: Social and Aboriginal Statistics, Methodology, Communications and Library Services, Regional Offices staff, and Dissemination. Thanks are also extended to the managers for their support, insight and constructive criticism.

Last but certainly not least, Statistics Canada would like to acknowledge the most important contributors to this report – the respondents to the Labour Force Survey. Our sincere gratitude is extended to these respondents. This report would not have been possible without their co-operation.

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Highlights

- While 2007 was a period of general strength in the labour market, in 2008, the labour market underwent a turning point. For the first 3 quarters of the year, employment continued to grow; however, by the 4th quarter, the downturn in the overall economy began to creep into the labour market and employment began to fall. The downturn did not affect all provinces equally though, with Ontario, Quebec, Alberta and British Columbia experiencing the bulk of employment losses.

- This paper will give an overview of the labour market outcomes of Aboriginal people, not just as a whole and by age group, but also when possible by the separate identity groups: North American Indians, Métis and Inuit. It will also distinguish labour market outcomes by province, highest level of educational attainment, and job characteristics (ex. industry of employment). Particular focus will be paid to the change in labour market outcomes before and during the economic downturn, comparing annual average data from 2008 and 2009.

Source, data history and definitions

This report draws on data from the Labour Force Survey (LFS) to examine the labour market outcomes of Aboriginal populations living off-reserve for all ten provinces. 2009 marks the third year for which the Aboriginal identity questions were extended to all provinces in the LFS.[1]

Although the LFS is a monthly survey, this analysis is based on annual data, which is more reliable for small populations such as the Aboriginal population. Further, the Atlantic Provinces were grouped together for more reliable estimates. In spite of this, there are still some estimates, particularly those of unemployment rates that cannot be reported since they do not meet minimum reliability criteria.

Exclusion of populations living in the territories and on reserves

LFS estimates for the territories are not included in the national totals. Although the LFS produces data on the territories, a different methodology is used than that for the provinces.

The LFS does not include the **population living on Indian reserves and settlements**. All data on the Aboriginal population in this report therefore reflect the situation of people living in the ten provinces.

Aboriginal identities

The Aboriginal population can be defined in various ways depending on the perspective and needs of the data user.

The Labour Force Survey measures the Aboriginal identity. A person has an Aboriginal identity if he or she reports identifying with at least one Aboriginal group, for example, North American Indian, Métis or Inuit. This is based on the individual's own perception of his/her Aboriginal identity. "Aboriginal identity" is not to be confused with "Aboriginal ancestry", another concept measured by the Census but not the LFS. Moreover, the LFS Aboriginal identity concept differs from the Aboriginal identity concept used in the Census, since Census uses more questions to define the identity. For more information, see the publication entitled How Statistics Canada Identifies Aboriginal Peoples *http://www.statcan.gc.ca/pub/12-592-x/12-592-x2007001-eng.htm*.

In this report, data for North American Indians, Métis and Inuit include only those who reported a single Aboriginal identity.

Although **Inuit** are included in the total for Aboriginal people, a large proportion are not covered by this report because they live in the territories, primarily Nunavut (15,300) and the Northwest Territories (2,900). However, according to the 2006 Census, 44% of Inuit were living in the provinces, mainly Quebec (6,900), Newfoundland and Labrador (3,600), Ontario (1,345) and Alberta (1,100).

1 These identity questions were incorporated at an earlier date in Alberta (2003) and in British Columbia, Saskatchewan and Manitoba (April 2004).

Comparison between LFS and Census:

Period covered and speed of release

The annual LFS estimates on Aboriginal people are available for every year, whereas the Census is conducted every five years. Another difference is that LFS estimates are representative of the entire year (12 reference weeks), whereas census estimates relate to only a single week in May. The time that elapses between the collection and the release of the data is also shorter for the LFS, making it possible to draw a very current picture of the labour market for Aboriginal populations.

Population covered

The population studied is more limited in the LFS, since reserves are excluded, which constitutes an especially important difference in the case of data on Aboriginal people. Also, the estimates for the territories are not included in the national estimates.

Range of statistics

The census data undeniably provide a wider range of data than the LFS. Also, the Census defines the Aboriginal population in various ways, whereas the LFS includes only one question measuring Aboriginal identity.

Comparability of estimates

Data from the LFS and the Census are not directly comparable, since the survey concepts and methods are different. For a more complete description of the differences, see the document "Differences between the LFS and Census estimates on the labour component, July 2008", available on request at Labour Statistics Division.

Aboriginal People Living Off-reserve and the Labour Market: Estimates from the Labour Force Survey, 2008-2009

by Danielle Zietsma

1 Analysis

While 2007 was a period of general strength in the labour market, in 2008, the labour market underwent a turning point. For the first 3 quarters of the year, employment continued to grow; however, by the 4th quarter, the downturn in the overall economy began to creep into the labour market and employment began to fall. The downturn did not affect all provinces equally though, with Ontario, Quebec, Alberta and British Columbia experiencing the bulk of employment losses.

This paper will give an overview of the labour market outcomes of Aboriginal people, not just as a whole and by age group, but also when possible by the separate identity groups: North American Indians, Métis and Inuit. It will also distinguish labour market outcomes by province, highest level of educational attainment, and job characteristics (ex. industry of employment). Particular focus will be paid to the change in labour market outcomes before and during the economic downturn, comparing annual average data from 2008 and 2009.

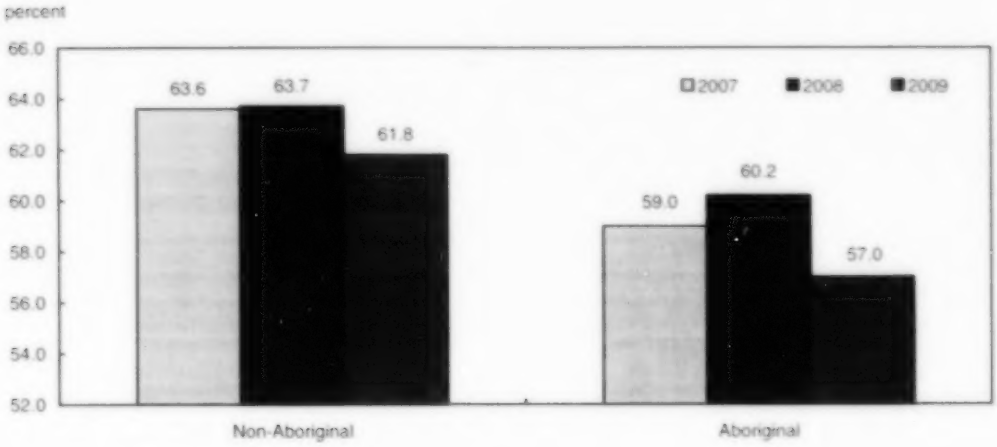
1.1 Overview

In 2007, before the labour market downturn, Canada's Aboriginal people had a harder time finding work compared to non-Aboriginal people, with lower employment rates and higher unemployment rates. This situation persisted in both 2008 and 2009, after the downturn of the labour market.

Aboriginal people experienced sharper declines in employment rates during the labour market downturn than non-Aboriginal people. Between 2008 and 2009, employment rates fell by 3.2 percentage points among Aboriginal and 1.9 percentage points among non-Aboriginal people, the result of sharper employment declines between 2008 and 2009 for Aboriginal relative to non-Aboriginal people.

As a result of the sharper decline in the employment rate for Aboriginal people relative to non-Aboriginal people between 2008 and 2009, the gap between the groups widened. While the employment rate gap between Aboriginal people aged 15 and over compared to non-Aboriginal people, was 4.8 percentage points in 2009. In 2008, the gap was 3.5 percentage points (Chart 1).

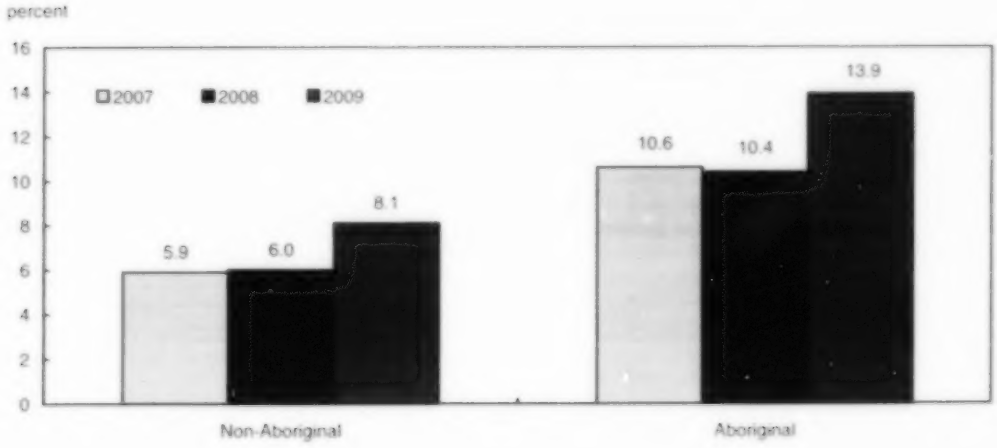
Chart 1
Employment rate of population aged 15 and over by Aboriginal identity, 2007 to 2009



Note(s): Data excludes people living on reserves or in the territories.
Source(s): Statistics Canada, Labour Force Survey.

At the same time, the unemployment rate rose more sharply for Aboriginal than non-Aboriginal people. In 2009, the unemployment rate for Aboriginal people reached 13.9%, up from 10.4% in 2008. In comparison, 8.1% of non-Aboriginal people were unemployed in 2009, up from 6.0% the previous year (Chart 2).

Chart 2
Unemployment rate of population aged 15 and over by Aboriginal identity, 2007 to 2009



Note(s): Data excludes people living on reserves or in the territories.
Source(s): Statistics Canada, Labour Force Survey.

1.2 Demographics of the Aboriginal and non-Aboriginal populations

On average, the Aboriginal population is younger than the non-Aboriginal population (Table 1). In 2006, 25% of the working-age Aboriginal population was between 15 and 24 compared to 16% of non-Aboriginal people. Aboriginal people also had a higher share of their working-age population in the 25 to 54 age group. Consequently, the share of Aboriginal people in the 55 and over group was lower with 17% of the working-age Aboriginal population in this group compared to 31% of the non-Aboriginal population.

Table 1
Distribution of population aged 15 and over living off-reserve in the 10 provinces, by age group, 2006

	Non-Aboriginal	Aboriginal			
		Total	North American Indians	Métis	Inuits
	number				
15 years and over	**24,772,000**	**893,000**	**389,000**	**295,000**	**14,000**
	percent				
15 to 24 years	16	25	25	24	31
25 to 54 years	53	58	59	58	55
55 years and over	31	17	16	18	14

Source(s): Statistics Canada, Census 2006.

In order to ensure that age differences have limited impact on the comparison of labour market outcomes, this report will focus its analysis on Aboriginal and non-Aboriginal people between 25 and 54 years of age. A section of analysis on the youth labour market (ages 15 to 24) as well as that of older workers (aged 55 and over) will also be provided.

The Aboriginal population is growing much faster than the non-Aboriginal population. Between 1996 and 2006[1] it increased 45%, nearly six times faster than the 8% rate of increase for the non-Aboriginal population.

In spite of this recent economic downturn, demographic evidence continues to point to labour shortages in the future as the baby boomers continue to age. Recent population projections estimate that by 2031 that close to one in four Canadians will be over 65 years of age[2]. This makes Aboriginal people a valuable source of labour both today and in the future.

1.3 Ages 25 to 54

1.3.1 Labour market participation and outcomes in 2009

The 25 to 54 age group is referred to as 'core working age' since people in this age group are the most likely to be participating in the labour market. There are numerous factors that can impact participation in the labour market, such as age, children in the home, school attendance, cultural factors, and labour market conditions.

Aboriginal people of core-working age were less likely to be participating in the labour market between 2008 and 2009 compared to non-Aboriginal people of the same age group (Table 2). Over this period, participation rates declined among all groups, but the largest decline was among North American Indians.

Looking at the Aboriginal identity groups reveals that Métis had a similar increase in their unemployment rate and a similar decline in their employment rate between 2008 and 2009 compared to non-Aboriginal people and to North American Indians.

The Métis unemployment rate also rose over this period by 2.6 percentage points to stand at 9.4% in 2009. The employment rate among core-age Métis fell by a similar amount to 74.3% in 2009.

1 Michalowski, et al. See 'The Daily', Thursday December 19, 2005.
2 Ibid.

In 2009, North American Indians had an unemployment rate of 14.0%, a rise of 2.4 percentage points from 2008. Their employment rate fell by 2.4 percentage points from 65.6% to 63.2%.

In comparison, the unemployment rate of core-age non-Aboriginal people rate rose by 2.0 percentage points from 5.0% in 2008 to 7.0% in 2009, while their employment rate fell by 2.0 percentage points to 80.6%.

Table 2
Labour force characteristics of population aged 25 to 54 by Aboriginal identity, 2007 to 2009

	2007	2008	2009	2008 to 2009
	percent			percentage point change
Participation rate				
Non-Aboriginal	86.8	86.9	86.7	-0.2
Aboriginal	76.9	78.0	77.6	-0.4
North American Indians	73.9	74.2	73.5	-0.7
Metis	80.1	82.4	82.0	-0.4
Unemployment rate				
Non-Aboriginal	5.0	5.0	7.0	2.0
Aboriginal	8.8	9.2	11.7	2.5
North American Indians	10.5	11.6	14.0	2.4
Metis	7.3	6.8	9.4	2.6
Employment rate				
Non-Aboriginal	82.5	82.6	80.6	-2.0
Aboriginal	70.1	70.8	68.5	-2.3
North American Indians	66.1	65.6	63.2	-2.4
Metis	74.3	76.8	74.3	-2.5

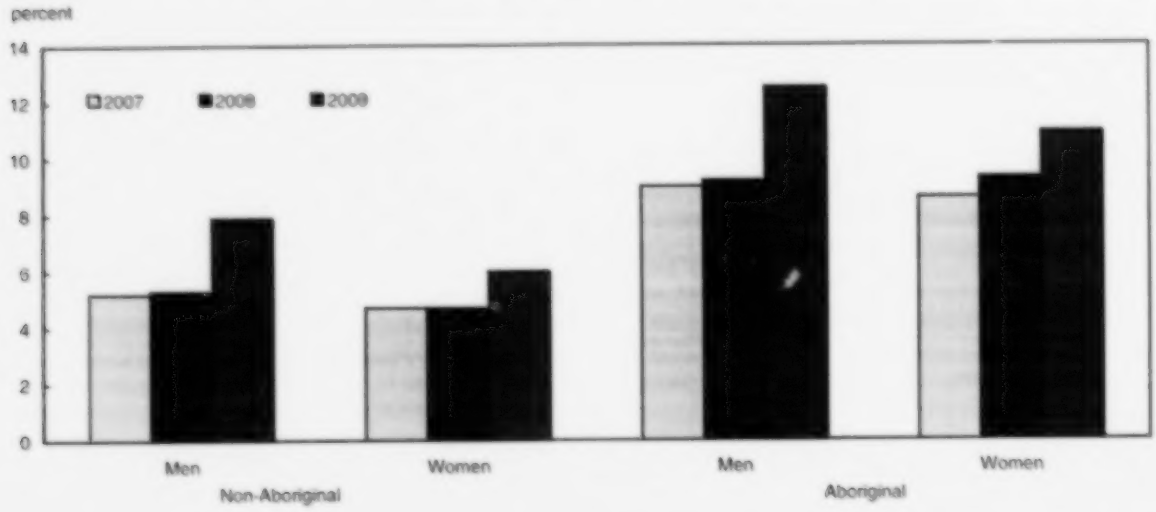
Note(s): Data excludes people living on reserves or in the territories.
Source(s): Statistics Canada, Labour Force Survey.

1.3.2 Gender analysis

In 2008 and 2009, core-age Aboriginal men and women had lower employment rates and higher unemployment rates than their non-Aboriginal counterparts (See Appendix I - Table A for rates for all Aboriginal identity groups by sex). However, the unemployment rate for Aboriginal men rose more rapidly than it did for both non-Aboriginal men and Aboriginal women (Chart 3). At the same time, Aboriginal women had a greater increase in their unemployment rate, relative to non-Aboriginal women. This was driven not by employment declines, but by an increase in participation among core-age Aboriginal women.

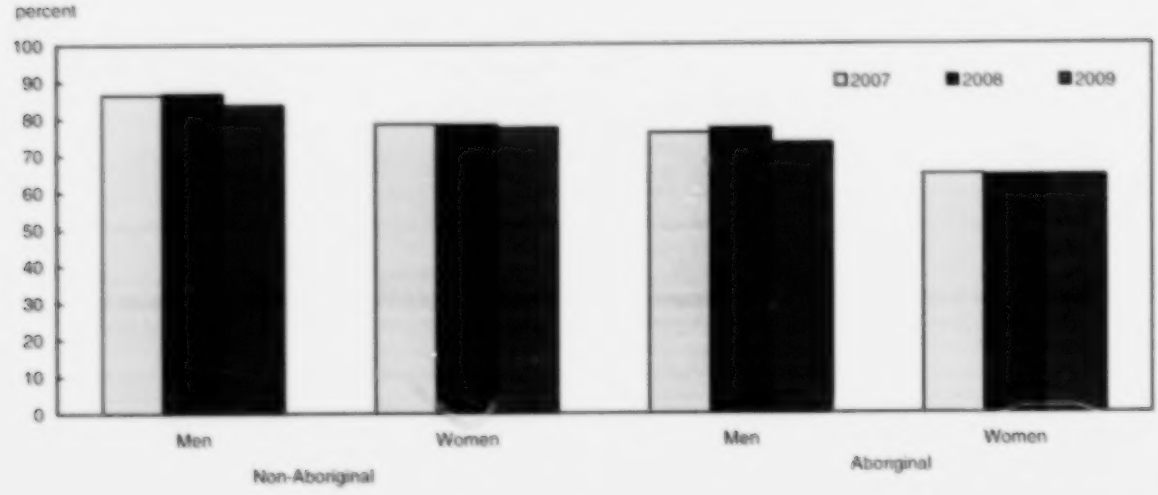
Employment declines during the economic downturn were far more prevalent among core-age men than women. Between 2008 and 2009, among Aboriginal men, the employment rate fell 4.1 percentage points compared to 3.1 percentage points among non-Aboriginal men (Chart 4). The employment rate among Aboriginal women was little changed (-0.1 percentage points) between 2008 and 2009, while non-Aboriginal women experienced a slight drop in their employment rate (-0.9 percentage points).

Chart 3
Unemployment rate of population aged 25 to 54 by Aboriginal identity and sex, 2007 to 2009



Note(s): Data excludes people living on reserves or in the territories.
Source(s): Statistics Canada, Labour Force Survey.

Chart 4
Employment rate of population aged 25 to 54 by Aboriginal identity and sex, 2007 to 2009



Note(s): Data excludes people living on reserves or in the territories.
Source(s): Statistics Canada, Labour Force Survey.

1.4 Regional analysis

Labour market outcomes among Aboriginal people varied across the country. However, in all provinces, core-age Aboriginal people had lower employment rates and higher unemployment rates compared to non-Aboriginal people. While 2007 and most of 2008 were a period of relative strength in the labour market, by the end of 2008 the labour market was showing the effects of the economic downturn (Tables 3 and 4). This was particularly the case in Ontario, Alberta and British Columbia, which experienced the sharpest employment declines of all provinces.

Between 2008 and 2009, in both Alberta and British Columbia, core-age Aboriginal people had larger declines in their employment rates and larger increases in their unemployment rates than their non-Aboriginal counterparts. In Ontario, however, Aboriginal and non-Aboriginal people had smaller fluctuations in their employment and unemployment rates.

Aboriginal people living in Alberta saw a considerable decline in their employment rate; it was 5.6 percentage points lower in 2009 than in 2008 (69.5% versus 75.1%). Employment rate declines in Alberta were more than twice as large for Aboriginal people as they were for non-Aboriginal people over this period. In British Columbia the core-age Aboriginal employment rate fell by 5.6 percentage points to 65.1%, the lowest rate for Aboriginal people of all the provinces.

In contrast, in Ontario, employment rates fell much more for core-age non-Aboriginal people than Aboriginal people. This could be related to the industries in which Aboriginal and non-Aboriginal tended to work. The non-Aboriginal workforce in Ontario was more likely than their Aboriginal counterparts to be employed in manufacturing, an industry where employment declined heavily during the downturn.

In Manitoba, the employment rate among Aboriginal people rose while it fell among their non-Aboriginal counterparts. In 2009, Aboriginal people living in Manitoba had the highest employment rate of all the provinces at 71.8%.

Unemployment rates rose in all provinces between 2008 and 2009 for core-age non-Aboriginal people (Table 4). The unemployment rate for core-age Aboriginal people living in Alberta increased the most over this period, rising 5.8 percentage points to 12.9% in 2009. In British Columbia, the unemployment rate for Aboriginal people also rose substantially, up 4.0 percentage points to 14.4%.

The unemployment rate among Aboriginal people in the Atlantic region also rose by 4.8 percentage points to 15.1% in 2009. Unlike Alberta and British Columbia, this increase was driven by more Aboriginal people entering the labour market in search of work, rather than employment declines.

Table 3
Employment rate of population aged 25 to 54 by Aboriginal identity, and province or region, 2007 to 2009

	Non-Aboriginal				Aboriginal			
	2007	2008	2009	2008 to 2009	2007	2008	2009	2008 to 2009
	percent			percentage point change	percent			percentage point change
Canada	**82.5**	**82.6**	**80.6**	**-2.0**	**70.1**	**70.8**	**68.5**	**-2.3**
Atlantic Region	77.6	78.0	77.6	-0.4	65.1	68.8	67.9	-0.9
Quebec	81.5	81.5	80.4	-1.1	63.4	72.4	70.8	-1.6
Ontario	82.3	82.4	79.9	-2.5	69.8	70.0	69.2	-0.8
Manitoba	86.9	87.5	85.7	-1.8	70.0	70.7	71.8	1.1
Saskatchewan	86.3	87.8	87.4	-0.4	66.4	66.8	66.6	-0.2
Alberta	86.3	86.2	83.7	-2.5	77.7	75.1	69.5	-5.6
British Columbia	82.3	82.5	79.7	-2.8	69.1	70.7	65.1	-5.6

Note(s): Data excludes people living on reserves or in the territories.
Source(s): Statistics Canada, Labour Force Survey.

Table 4
Unemployment rate of population aged 25 to 54 by Aboriginal identity, and province or region, 2007 to 2009

	Non-Aboriginal				Aboriginal			
	2007	2008	2009	2008 to 2009	2007	2008	2009	2008 to 2009
	percent			percentage point change	percent			percentage point change
Canada	**5.0**	**5.0**	**7.0**	**2.0**	**8.8**	**9.2**	**11.7**	**2.5**
Atlantic Region	8.1	7.9	8.8	0.9	14.0	10.3	15.1	4.8
Quebec	6.2	6.2	7.2	1.0	11.7E	11.7E	x	x
Ontario	5.1	5.2	7.7	2.5	10.5	9.2	11.2	2.0
Manitoba	3.0	2.8	3.8	1.0	6.4	7.3	8.6	1.3
Saskatchewan	2.9	2.8	3.5	0.7	10.6	11.6	11.0	-0.6
Alberta	2.7	2.6	5.3	2.7	5.6	7.1	12.9	5.8
British Columbia	3.4	3.7	6.4	2.7	8.4	10.4	14.4	4.0

E use with caution (coefficient of variation between 16.5% and 33.3%)
Note(s): Data excludes people living on reserves or in the territories.
Source(s): Statistics Canada, Labour Force Survey.

1.4.1 Difficult labour market for North American Indians and Métis in British Columbia and Alberta

As discussed earlier, employment rates among non-Aboriginal people fell between 2008 and 2009 in nearly all provinces (Table 5). However, core-age North American Indians and Métis did not see the same widespread declines in their employment rates, although in some provinces these groups were particularly hard hit.

While the employment rate among core-age non-Aboriginal people in Alberta fell by 2.5 percentage points between 2008 and 2009 to 83.7%, North American Indians saw a far greater drop in their rate, down 13.4 percentage points to 58.7% in 2009. This was the largest drop in the employment rate for North American Indians of all provinces. Over the same period, the unemployment rate among North American Indians in Alberta rose to 19.0%, the highest of all provinces or regions (Table 5).

At the same time, the employment rate for North American Indians increased to 71.3% in Quebec, bringing the rate closer to that of non-Aboriginal people in the province (80.4%).

For Métis in the 25 to 54 age group, the largest drop occurred in British Columbia, where the employment rate declined by 13.6 percentage points to 68.0% in 2009. In comparison, the employment rate fell by 2.8 percentage points to 79.7% among non-Aboriginal British Columbians. With this decline, the Métis living in British Columbia had the lowest employment rate of Métis in any province or region in 2009.

Métis living in the Atlantic region and Manitoba saw increases in their employment rates between 2008 and 2009, while non-Aboriginal people experienced declines.

Table 5
Labour force characteristics of population aged 25 to 54 by Aboriginal identity and province or region, 2008 and 2009

	Unemployment rate			Employment rate		
	2008	2009	2008 to 2009	2008	2009	2008 to 2009
	percent		percentage point change	percent		percentage point change
Non-Aboriginal						
Canada	**5.0**	**7.0**	**2.0**	**82.6**	**80.6**	**-2.0**
Atlantic Region	7.9	8.8	0.9	78.0	77.6	-0.4
Quebec	6.2	7.2	1.0	81.5	80.4	-1.1
Ontario	5.2	7.7	2.5	82.4	79.9	-2.5
Manitoba	2.9	3.8	1.0	87.5	85.7	-1.8
Saskatchewan	2.8	3.5	0.7	87.8	87.4	-0.4
Alberta	2.6	5.3	2.7	86.2	83.7	-2.5
British Columbia	3.7	6.4	2.7	82.5	79.7	-2.8
Aboriginal						
Canada	**9.2**	**11.7**	**2.5**	**70.8**	**68.5**	**-2.3**
Atlantic Region	10.3	15.1	4.8	68.8	67.9	-0.9
Quebec	11.7	x	x	72.4	70.8	-1.6
Ontario	9.2	11.2	2.0	70.0	69.2	-0.8
Manitoba	7.3	8.6	1.3	70.7	71.8	1.1
Saskatchewan	11.6	11.0	-0.6	65.8	65.6	-0.2
Alberta	7.1	12.9	5.8	75.1	69.5	-5.6
British Columbia	10.4	14.4	4.0	70.7	65.1	-5.6
North American Indians						
Canada	**11.8**	**14.0**	**2.4**	**65.6**	**63.2**	**-2.4**
Atlantic Region	10.4	17.4	7.0	67.1	63.3	-3.8
Quebec	x	x	x	61.7	71.3	9.6
Ontario	9.7	11.4	1.7	68.5	67.8	-0.7
Manitoba	9.9	13.4	3.5	60.0	58.2	-1.8
Saskatchewan	17.8	12.6	-5.2	57.0	57.3	0.3
Alberta	8.2	19.0	10.8	72.1	58.7	-13.4
British Columbia	13.7	15.3	1.6	64.1	63.5	-0.6
Metis						
Canada	**6.8**	**9.4**	**2.6**	**76.8**	**74.3**	**-2.5**
Atlantic Region	x	11.3 E	x	73.2	75.4	2.2
Quebec	x	x	x	79.6	70.5	-9.1
Ontario	8.4 E	10.8 E	2.4 E	72.3	71.6	-0.7
Manitoba	5.9	6.3	0.4	77.8	79.8	2.0
Saskatchewan	6.8	9.9 E	3.1 E	73.6	73.1	-0.5
Alberta	6.3	9.3	3.0	77.6	77.3	-0.3
British Columbia	5.8 E	12.4	6.6 E	81.6	68.0	-13.6

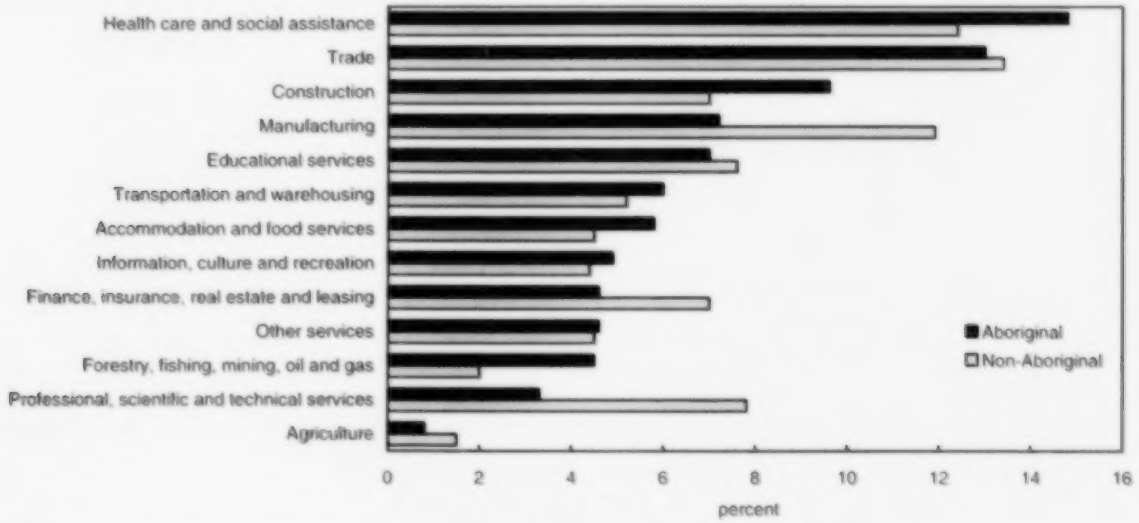
E use with caution (coefficient of variation between 16.5% and 33.3%)
Note(s): Data excludes people living on reserves or in the territories.
Source(s): Statistics Canada, Labour Force Survey.

1.5 Industry

1.5.1 Fewer Aboriginal people in manufacturing after economic downturn

In 2009, the biggest employer of Aboriginal people was health care and social assistance, followed by trade, construction and manufacturing. Among non-Aboriginal people, trade was the top employer, followed by manufacturing, health care and social assistance, and professional, scientific and technical services (Chart 5).

Chart 5
Employment distribution of population aged 25 to 54 by industry and Aboriginal identity, 2009



Note(s): Data excludes people living on reserves or in the territories.
Source(s): Statistics Canada, Labour Force Survey.

The manufacturing industry across Canada suffered the largest employment losses between 2008 and 2009. Overall, manufacturing employment fell by 121,000 (-8%). However, the impact of this employment decline was not felt equally by non-Aboriginal and Aboriginal people. Employment declined by 8% (-114,000) among non-Aboriginal manufacturing workers, with the bulk of the losses in Ontario. At the same time, this decline was 30% (-7,000) among Aboriginal people, however, Aboriginal losses were concentrated in the western provinces.

The construction industry also had large employment declines between 2008 and 2009. As with manufacturing, Aboriginal people faced steeper employment declines than non-Aboriginal people. Between 2008 and 2009, Aboriginal construction employment fell by 16% (-4,000) compared to 5% (-45,000) among non-Aboriginal construction workers.

In 2009, health care and social assistance was the biggest employer of Aboriginal people, with nearly 15% of employed Aboriginal people working in this industry. This industry was one of the few industries that continued to experience employment growth between 2008 and 2009. Aboriginal employment grew by 12% (+4,000) outstripping growth of 2% among non-Aboriginal people in this industry.

Aboriginal people working in finance, insurance, real estate and leasing also experienced employment growth, up 32% (+2,000) between 2008 and 2009. Over this period, non-Aboriginal employment in the industry was little changed.

1.6 Education

1.6.1 Aboriginal people with post-secondary education fared better during economic downturn

Aboriginal people with lower levels of educational attainment, specifically less than a high school diploma or those with a high school diploma and some post-secondary education continued to have lower employment rates and higher unemployment rates than non-Aboriginal people with the same education in 2009. This was also the case in 2008.

Between 2008 and 2009, Aboriginal people with less than a high school diploma or those with a high school diploma and some post-secondary education had larger declines in their employment rates and larger increases in their unemployment rates than Aboriginal people who had completed their post-secondary education (Tables 6 and 7).

Table 6
Employment rate of population aged 25 to 54 by Aboriginal identity, and highest level of educational attainment, 2007 to 2009

	2007	2008	2009	2008 to 2009
	percent			percentage point change
Non-Aboriginal				
Total, all education levels	82.5	82.6	80.6	-2.0
Less than high school	65.5	65.2	62.4	-2.8
High school graduate or some post-secondary	80.0	80.1	76.9	-3.2
Completed post-secondary education	86.5	86.5	85.0	-1.5
Aboriginal				
Total, all education levels	70.1	70.8	68.5	-2.3
Less than high school	51.2	53.2	47.7	-5.5
High school graduate or some post-secondary	70.4	69.6	66.3	-3.3
Completed post-secondary education	80.2	81.2	79.4	-1.8

Note(s): Data excludes people living on reserves or in the territories.
Source(s): Statistics Canada, Labour Force Survey.

Table 7
Unemployment rate of population aged 25 to 54 by Aboriginal identity, and highest level of educational attainment, 2007 to 2009

	2007	2008	2009	2008 to 2009
	percent			percentage point change
Non-Aboriginal				
Total, all education levels	5.0	5.0	7.0	2.0
Less than high school	9.8	9.6	12.8	3.2
High school graduate or some post-secondary	5.4	5.3	8.1	2.8
Completed post-secondary education	4.1	4.2	5.8	1.6
Aboriginal				
Total, all education levels	8.8	9.2	11.7	2.5
Less than high school	14.2	14.3	19.6	5.3
High school graduate or some post-secondary	8.0	9.6	12.7	3.1
Completed post-secondary education	7.3	7.1	8.7	1.6

Note(s): Data excludes people living on reserves or in the territories.
Source(s): Statistics Canada, Labour Force Survey.

The employment rate for Aboriginal people with less than a high school diploma fell by 5.5 percentage points between 2008 and 2009 to 47.7% and by 3.3 percentage points for those with a high school diploma and some post-secondary education to 66.3%. At the same time, Aboriginal people with a completed post-secondary education were less affected by the economic downturn: their employment rate declined less, down 1.8 percentage points. While the employment rate among non-Aboriginal people with a completed post-secondary education was higher than that of their Aboriginal counterparts, the decline in their rates between 2008 and 2009 was comparable at 1.5 percentage points.

1.7 Youths

1.7.1 Unemployment rate rises more among Aboriginal youths in downturn

In this analysis, the term youths refers to those between the ages of 15 and 24, regardless of their school attendance status. In 2009, 42% of Aboriginal youths were attending school compared to 50% of non-Aboriginal youths. Employment and unemployment rates may differ between the groups based on school attendance and the age at which education is completed.

Aboriginal youths have typically had higher unemployment rates and lower participation and employment rates compared to their non-Aboriginal counterparts. In 2009, the employment rate was 45.1% for Aboriginal youths, while it was 55.6% among non-Aboriginal youths (Table 8). The employment rate was lower still for North American Indian youths, at 39.5% while it was 52.3% for Métis youths.

The economic downturn of late 2008 and 2009 impacted youths particularly harshly compared to their adult counterparts. Over this period, the employment rate of non-Aboriginal youths fell by 4.2 percentage points while this decline was 6.8 percentage points for Aboriginal youths. The employment rate fell by 6.2 percentage points among North American Indian youths and by 6.6 percentage points among Métis youths.

Between 2008 and 2009, the increase in unemployment among North American Indian youths was more than double that of non-Aboriginal youths, up 7.5 percentage points compared to 3.5 percentage points. These surges in unemployment rates for both groups were driven by falling employment and coincided with lower participation in the labour market.

Table 8
Labour force characteristics of population aged 15 to 24 by Aboriginal identity, 2008 and 2009

	2008	2009	2008 to 2009
	percent		percentage point change
Unemployment rate			
Non-Aboriginal	11.5	15.0	3.5
Aboriginal	15.6	22.7	7.1
North American Indians	19.1	26.6	7.5
Métis	12.2	18.6	6.4
Participation rate			
Non-Aboriginal	67.6	65.5	-2.1
Aboriginal	61.5	58.4	-3.1
North American Indians	56.4	53.8	-2.6
Métis	67.1	64.2	-2.9
Employment rate			
Non-Aboriginal	59.8	55.6	-4.2
Aboriginal	51.9	45.1	-6.8
North American Indians	45.7	39.5	-6.2
Métis	58.9	52.3	-6.6

Note(s): Data excludes people living on reserves or in the territories.
Source(s): Statistics Canada, Labour Force Survey.

In 2009, Aboriginal youths with post-secondary credentials showed a distinctly better employment picture than those with less formal education with higher employment rates and lower unemployment rates. In fact, there was very little difference in 2008 as well as 2009 between the employment rates of post-secondary educated Aboriginal youths and non-Aboriginal youths (See Appendix I - Table B for more details).

In both 2008 and 2009 Aboriginal youths living in the Atlantic region and Ontario had the highest unemployment rates of all provinces (Tables 9 and 10). The same was also true for non-Aboriginal youths.

Like their counterparts aged 25 to 54, Aboriginal youths also saw a pronounced deterioration in their employment and unemployment rates in Alberta and British Columbia during the economic downturn. Indeed, unemployment rate increases for Aboriginal youths in these two provinces were larger than they were for their non-Aboriginal counterparts.

Table 9
Employment rate of population aged 15 to 24 by Aboriginal identity, and province or region, 2008 and 2009

	Non-Aboriginal			Aboriginal		
	2008	2009	2008 to 2009	2008	2009	2008 to 2009
	percent		percentage point change	percent		percentage point change
Canada	**59.8**	**55.6**	**-4.2**	**51.9**	**45.1**	**-6.8**
Atlantic Region	55.7	53.9	-1.8	45.5	39.9	-5.6
Quebec	59.5	56.1	-3.4	51.8	59.6	7.8
Ontario	56.0	51.6	-4.4	47.1	40.1	-7.0
Manitoba	67.6	65.8	-1.8	53.7	48.9	-4.8
Saskatchewan	69.4	66.9	-2.5	45.2	42.0	-3.2
Alberta	68.6	63.3	-5.3	58.8	44.3	-14.5
British Columbia	62.6	56.6	-6.0	54.3	46.7	-7.6

Note(s): Data excludes people living on reserves or in the territories.
Source(s): Statistics Canada, Labour Force Survey.

Table 10
Unemployment rate of population aged 15 to 24 by Aboriginal identity, and province or region, 2008 and 2009

	Non-Aboriginal			Aboriginal		
	2008	2009	2008 to 2009	2008	2009	2008 to 2009
	percent		percentage point change	percent		percentage point change
Canada	**11.5**	**15.0**	**3.5**	**15.6**	**22.7**	**7.1**
Atlantic Region	15.0	17.2	2.2	23.5 E	28.8 E	5.3 E
Quebec	12.1	15.3	3.2	x	x	x
Ontario	13.7	17.4	3.7	20.7	26.6	5.9
Manitoba	8.3	9.4	1.1	14.3	15.8	1.5
Saskatchewan	6.5	8.4	1.9	19.3	23.0	3.7
Alberta	7.3	11.8	4.5	11.7	23.8	12.1
British Columbia	8.3	12.7	4.4	12.7	24.7	12.0

E use with caution (coefficient of variation between 16.5% and 33.3%)
Note(s): Data excludes people living on reserves or in the territories.
Source(s): Statistics Canada, Labour Force Survey.

1.8 Older workers

The population of Aboriginal and non-Aboriginal people age 55 and over had many different labour market outcomes and trends compared to youths and those in the core-age group. In general, their employment rates were much lower since many have entered retirement. While the period from 2008 to 2009 was a turbulent one in the labour market for the 15 to 54 year-olds, with falling employment rates and rising unemployment rates, non-Aboriginal and Aboriginal people age 55 and over actually saw small increases in their employment rates between 2008 and 2009.

Employment rates did not increase for this group of older workers in all provinces, however. Aboriginal people experienced declines in their employment rates in Saskatchewan (-4.6 percentage points), British Columbia (-3.2 percentage points) and Ontario (-1.6 percentage points). Employment rates among non-Aboriginal workers aged 55 and over fell in Ontario and Alberta (-0.3 percentage points for each).

In Alberta, the employment rate for older Aboriginal people rose to 40.6%, up 4.5 percentage points from 2008.

In some provinces, despite declines, a larger percentage of Aboriginal people were employed than non-Aboriginal people. Employment rates were higher in 2009 in the Atlantic region, Manitoba as well as British Columbia among their 55 and over Aboriginal populations compared to the non-Aboriginal populations.

In 2009, Manitoba had the highest proportion of Aboriginal people 55 and over working of all provinces with an employment rate of 40.8%.

Table 11
Employment rate of population aged 55 and over by Aboriginal identity, and province or region, 2008 and 2009

	Non-Aboriginal			Aboriginal		
	2008	2009	2008 to 2009	2008	2009	2008 to 2009
	percent		percentage point change	percent		percentage point change
Canada	**32.6**	**32.8**	**0.2**	**35.1**	**35.3**	**0.2**
Atlantic Region	27.9	28.4	0.5	27.3	31.2	3.9
Quebec	27.8	28.4	0.6	24.3 E	26.4 E	2.1 E
Ontario	33.8	33.5	-0.3	34.4	32.8	-1.6
Manitoba	34.8	36.5	1.7	38.0	40.8	2.8
Saskatchewan	36.4	38.6	2.2	39.2	34.6	-4.6
Alberta	43.7	43.4	-0.3	36.1	40.6	4.5
British Columbia	32.7	33.1	0.4	41.8	38.6	-3.2

E use with caution (coefficient of variation between 16.5% and 33.3%)
Note(s): Data excludes people living on reserves or in the territories.
Source(s): Statistics Canada, Labour Force Survey.

1.9 Conclusion

Overall, the economic downturn resulted in a widening of the employment and unemployment rate gaps between Aboriginal and non-Aboriginal people. At the national level, the unemployment rate among Aboriginal people ages 15 and over rose more than it did among non-Aboriginal people between 2008 and 2009. At the same time, employment rates fell more among working-age Aboriginal people than among their non-Aboriginal counterparts.

On a provincial basis, Aboriginal people living in provinces that were more impacted by the economic downturn, namely Ontario, Alberta and British Columbia, saw more dramatic declines in their employment rates and larger increases in their unemployment rates between 2008 and 2009 relative to non-Aboriginal people living in these provinces.

Between 2008 and 2009, the manufacturing industry had the sharpest drops in employment of all industries. Aboriginal people appear to have been more affected than non-Aboriginal people losing 30% of their employment in the industry compared to 11% among non-Aboriginal people.

Educational attainment also played a role in labour market outcomes before and during the labour market downturn. Employment rates fell among both Aboriginal and non-Aboriginal people with less than a high school diploma and those with a high school diploma and some post-secondary education. Aboriginal people with post-secondary credentials were less affected by the downturn. They experienced smaller declines in their employment rates and smaller increases unemployment rates than those with lower levels of educational attainment.

The labour market downturn of late 2008 and 2009 impacted youths particularly harshly compared to their adult counterparts. Over this period, the employment rates of Aboriginal youths fell by 6.8 percentage points, while the rate fell by 4.2 percentage points among non-Aboriginal youths. These declines were much larger than the declines among their 25 to 54 year-old counterparts. Within the Aboriginal population, between 2007 and 2009, North American Indian youths had an increase in their unemployment rate nearly double that of non-Aboriginal youths, up 7.5 percentage points compared to 3.5 percentage points.

While the period from 2008 to 2009 was a turbulent one in the labour market for youths and core-age adults, with falling employment rates and rising unemployment rates, Aboriginal and non-Aboriginal people age 55 and over experienced employment growth, reflected in slight increases in their employment rates overall.

Appendix I — Tables A and B

Table A

Labour Force characteristics of population aged 25 to 54 by Aboriginal identity and sex, 2008 and 2009

	Unemployment rate			Employment rate		
	2008	2009	2008 to 2009	2008	2009	2008 to 2009
	percent		percentage point change	percent		percentage point change
Non-Aboriginal						
Both sexes	5.0	7.0	2.0	82.6	80.6	-2.0
Men	5.3	7.9	2.6	86.8	83.7	-3.1
Women	4.7	6.0	1.3	78.4	77.5	-0.9
Aboriginal						
Both sexes	9.2	11.7	2.5	70.8	68.5	-2.3
Men	9.2	12.5	3.3	77.3	73.2	-4.1
Women	9.3	10.9	1.6	64.4	64.3	-0.1
North American Indians						
Both sexes	11.6	14.0	2.4	65.6	63.2	-2.4
Men	11.9	15.3	3.4	72.0	67.6	-4.4
Women	11.4	12.7	1.3	60.0	59.5	-0.5
Métis						
Both sexes	6.8	9.4	2.6	76.8	74.3	-2.5
Men	6.8	9.9	3.1	82.5	78.7	-3.8
Women	6.9	9.0	2.1	70.4	69.8	-0.6

Note(s): Data excludes people living on reserves or in the territories.
Source(s): Statistics Canada, Labour Force Survey.

Table B

Labour Force characteristics of population aged 15 to 24 by highest level of educational attainment and Aboriginal identity, 2008 to 2009

	Unemployment rate			Employment rate		
	2008	2009	2008 to 2009	2008	2009	2008 to 2009
	percent		percentage point change	percent		percentage point change
Non-Aboriginal						
Total, all education levels	11.5	15.0	3.5	59.8	55.6	-4.2
Less than high school	17.9	23.1	5.2	42.9	37.5	-5.4
High school graduate or some post-secondary	10.0	13.7	3.7	66.0	61.2	-4.8
Completed post-secondary education	7.2	9.5	2.3	76.9	74.7	-2.2
Aboriginal						
Total, all education levels	15.6	22.7	7.1	51.9	45.1	-6.8
Less than high school	22.6	33.3	10.7	37.3	30.1	-7.2
High school graduate or some post-secondary	11.2	16.2	5.0	65.6	59.0	-6.6
Completed post-secondary education	x	12.2 E	x	77.3	74.5	-2.8

E use with caution (coefficient of variation between 16.5% and 33.3%)
Note(s): Data excludes people living on reserves or in the territories.
Source(s): Statistics Canada, Labour Force Survey.